



OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING DATE:
10/4/2012

CONTROL NO:

ITEM NO:

SUBJECT: APPROVAL OF ACTION MINUTES OF THE OVERSIGHT BOARD

FROM: GLORIA CONSIDINE, BOARD SECRETARY

PRESENTATION BY: GLORIA CONSIDINE, BOARD SECRETARY

BACKGROUND:

As part of the new requirements all Oversight Board actions must be done by resolution (Health & Safety Code Section 34179 (e)). Attached is Resolution No. OB 12-08 for adoption approving the minutes of the August 20, 2012 Oversight Board meeting.

FISCAL IMPACT: There is no fiscal impact related to this action item.

ATTACHMENTS: Resolution No. OB 12-08
Minutes of August 20, 2012

RESOLUTION NO. OB 12-08

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
APPROVING ACTION MINUTES FOR THE OVERSIGHT BOARD
MEETING OF AUGUST 20, 2012

RECITALS:

A. Health and Safety Code Section 34179 (e), as amended by AB 1484, provides that all actions of Oversight Boards to redevelopment Successor Agencies are to be adopted by resolution.

B. One action required at most Oversight Board meetings is the approval of the minutes of the Board's prior meeting(s).

C. Since this is an action of the Oversight Board, approval of action minutes must be done by resolution to be in conformance with AB 1484.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this resolution.

Section 2. This Resolution is adopted pursuant to AB 1484.

Section 3. The Oversight Board for the Successor Agency hereby approves the action minutes of August 20, 2012 as presented.

Section 4. The officers and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED, APPROVED AND ADOPTED this 4th day of October, 2012.

WILLIAM A. HOLT, CHAIRMAN

ATTEST:

GLORIA CONSIDINE, BOARD SECRETARY

**MINUTES FOR THE
SPECIAL MEETING OF THE
CITY OF ARTESIA OVERSIGHT BOARD FOR THE
SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY**

Location:

ARTESIA CITY COUNCIL CHAMBERS

Monday August 20, 2012

10:00 AM

I. CALL TO ORDER:

Tanya Ruiz, Oversight Board Administrative Staff, called the meeting to order at 10:03 a.m.

II. ROLL CALL:

Present: Chair William A. Holt, Vice Chair Maria Dadian, Board Members Becky T. Lingad, Kathrin Wardle, Ali Delawalla, Toan Nguyen, and George Ray

III. SUCCESSOR AGENCY STAFF:

Gloria Considine, Secretary
Justine Menzel, Deputy Executive Director
Kevin Ennis, General Counsel
Teresa Ho-Urano, Assistant General Counsel
Tanya Ruiz, Los Angeles County Board of Supervisors, Executive Office

III. ADMINISTRATIVE MATTERS:

1. Resolution No. OB 12-07
A Resolution of the Oversight Board for the Successor Agency to the Artesia Redevelopment Agency Approving Action Minutes for the Oversight Board Special Meetings of May 2, 2012 and July 3, 2012.

Board Member Lingad stated that there was a correction to page 3 of the July 3, 2012 meeting minutes and asked that an amendment be made to reflect that the meeting was adjourned at 11:23 a.m. and not at 11:23 p.m.

On motion of Vice Chair Dadian, seconded by Board Member Ray, unanimously carried, the Board adopted Resolution No. OB 12-07 approving the minutes of May 2, 2012 and July 3, 2012, as amended.

Attachments: [SUPPORTING DOCUMENT](#)

2. Public comment for Items on the Agenda Only.

There was none.

IV. DISCUSSION ITEMS:

3. Report on Blanket Rejection by Department of Finance (DOF) of Amendments to ROPS I and ROPS II for the Pioneer Boulevard Improvement Project.

Justine Menzel, Deputy Executive Director, provided an update on the Department of Finance (DOF) Blanket Rejection of the Recognized Obligation Payment Schedules I and II (ROPS) for the Pioneer Blvd Improvement Project. She stated that the DOF's rejection of the Contracts for the project is detrimental to the City because if the costs for the project are not paid for by the unspent bond funds, then the funds will be depleted from the City's reserves. She added that this will cause the project to be left incomplete. Ms. Menzel recommended that the Board receive and file both the staff report and official rejection letter submitted by the DOF.

Board Member Nguyen asked for clarification as to whether an item on the ROPS that was denied twice by the DOF, can be added a third time to the January through June 2013 ROPS.

Teresa Ho-Urano, Assistant General Counsel, responded that an item rejected twice can still be added on the January through June 2013 ROPS.

On motion of Board Member Lingad, seconded by Board Member Wardle, unanimously carried, the Board received and filed the staff report.

Attachments: [SUPPORTING DOCUMENT](#)

V. RECOMMENDATIONS:

4. Resolution No. OB 12-05
A Resolution of the Oversight Board for the Successor Agency to the Artesia Redevelopment Agency Approving a Proposed Administrative Budget for the Six-Month Fiscal Period from January 1, 2013 through June 30, 2013 and Taking Certain Related Actions.

Justine Menzel, Deputy Executive Director, requested that the Oversight Board adopt and approve the proposed Administrative Budget for the six-month fiscal period of January 1, 2013 through June 30, 2013. She stated that the Administrative

Budget for the first and second period were previously approved by both the Oversight Board and the DOF and noted that the administrative allowances listed in the current period are the same expenses that have already been approved on the previous budgets.

Ms. Menzel indicated a correction to be made on Line Item #1 on Exhibit A of the Proposed Administrative Budget, noting that the two amounts listed should be reversed to reflect the "Total Outstanding Debt or Obligation" as \$130,753 and the "Total Due During Fiscal Year 2012-2013" as \$65,377. She also specified that the Administrative Allowance provided by the DOF is capped at \$250,000 and explained that though the Successor Agency's costs exceeded that amount, they would not receive more than the capped amount.

On motion of Board Member Lingad, seconded by Board Member Ray, duly carried by the following vote, the Board adopted Resolution No. OB 12-05, approving the proposed Administrative Budget for the six-month fiscal period from January 1, 2013 through June 30, 2013:

Ayes: Board Members Nguyen, Delawalla, Wardle, Lingad, Ray, Vice Chair Dadian, and Chair Holt
Noes: None
Abstain: None

Attachments: [SUPPORTING DOCUMENT](#)

5. Resolution No. OB 12-06

A Resolution of the Oversight Board for the Successor Agency to the Artesia Redevelopment Agency Approving a Recognized Obligation Payment Schedule for the Six-Month Fiscal Period from January 1, 2013 through June 30, 2013, and Taking Certain Related Actions.

Justine Menzel, Deputy Executive Director, provided an overview of the staff report disseminated to the Board. She emphasized the new deadlines and penalties provided by the Department of Finance (DOF) and requested that Oversight Board adopt and approve the ROPS for the six-month fiscal period from January 1, 2013 through June 30, 2013. Ms. Menzel noted that there were recent changes on the Recognized Obligation Payment Schedule (ROPS) forms and provided staff with new revised forms.

Ms. Menzel provided a copy of the January 1, 2013 through June 30, 2013 ROPS and explained that on the "Prior Period Estimated Obligations vs. Actual Payments" sheet, Line Item 23: Contract, Payee-Tim Greenleaf Eng., Line Item 24: Contract, Payee-Griffith Co., Line Item 26: Contract, Payee-Traffic Safety Engineers, and Line Item 27: Contract, Payee-A.C.E. Civil Engineers, are items that were denied by the DOF and remain unpaid.

Kevin Ennis, General Counsel, stated that an amendment will be made on Line Item 8: Salaries/Benefits of the ROPS, indicating that the "Total Due During Fiscal year 2012-13" column should be \$130,753 and therefore the "Total Outstanding Debt or Obligation" column will be recalculated and increased to allow for future expenses.

Ms. Menzel reiterated that the following amendments will be made:

- On the ROPS form- the Grand Total for both the "Total Outstanding Debt or Obligation" and "Total Due During Fiscal Year 2012-13" will be changed to reflect the changes made on Line Item 8: Salaries/Benefits.
- On Exhibit A "Summary of ROPS Filed for the January 1, 2013 to June 30, 2013 Period", the "Total Outstanding Debt or Obligation" will be changed from \$44,984,857 to a higher amount to reflect the changes made on Line Item 8: Salaries/Benefits.

Chair Holt asked for clarification on the actual "Total Outstanding Debt or Obligation" for Line Item 8: Salaries/Benefits. Ms. Menzel responded that she would need to further calculate for a definite number. Kevin Ennis added that the amounts listed under the "Total Outstanding Debt or Obligation" are only estimates and the Board is not approving those, only real numbers.

Ms. Menzel notified the Board that on Friday, August 17, 2012, staff received information that the County Auditor-Controller's Office reported an adjustment to the Successor Agency's Redevelopment Property Tax Trust Fund (RPTTF) with an estimated amount of \$740,879 of outstanding debt. She explained that the Successor Agency calculated an amount of \$863,795, which now leaves a \$122,916 deficit of Administrative Allowance Expenditures. Ms. Menzel added that staff continued to list the \$863,795 amount on Line K of Exhibit A "Summary of ROPS filed for the January 1, 2013 to June 30, 2013 Period". However, she noted Staff is aware that they may only receive the reported amount provided by the County Auditor-Controller's Office.

On motion of Board Member Lingad, seconded by Board Member Nguyen, duly carried by the following vote, the Board adopted Resolution No. OB 12-06, approving the ROPS 3 for the six-month fiscal period from January 1, 2013 through June 30, 2013 as amended:

Ayes:	Board Members Nguyen, Delawalla, Wardle, Lingad, Ray, Vice Chair Dadian, and Chair Holt
Noes:	None
Abstain:	None

Attachments: [SUPPORTING DOCUMENT](#)

VI. MISCELLANEOUS:

6. Chair and Board Member Comments

There was none.

7. Public Comments (Opportunity for members of the public to address the Board on items of interest that are within the jurisdiction of the Board)

There was none.

8. Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting.

Mr. Ennis indicated that due to the upcoming, there is a need to hold at least two Oversight Board meetings between September 10 through October 1, 2012 and Staff will keep the Board informed of the designated dates.

ADJOURNMENT:

The meeting was adjourned at 11:20 a.m.